Guidance on good practices in the area of compliance monitoring and enforcement

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IFAC Members and associates have to:

- Identify and take actions to fulfill the requirements set out in the SMOs
- Provide evidence of compliance as required by the Compliance Program
What are SMOs

Building Blocks

SMO 1: QA
SMO 4: Ethics
SMO 6: I&D

SMO 2: Education

SMO 3: ISA
SMO 5: IPSAS

SMO 7: IFRS
Understanding Diversity

Regulatory frameworks + Sectors of profession = Different degree of responsibility
Degree of responsibility for an SMO area

Direct
- Implement all the requirements of the SMO
- In exceptional situations departures are possible if can be justified from the public interest perspective and need to be documented

Shared
- For the elements for which Member Body has direct responsibility follow the approach for "Direct"
  - AND
- For the elements for which Member Body has no direct responsibility follow the approach for "No Responsibility"

No Responsibility
- Use best endeavors to:
  a. Encourage those responsible for the requirements to follow this SMO in implementing them;
  - AND
  b. Assist in the implementation where appropriate
Other Environmental Factors

- Level of development
- Regulatory framework and legislative tradition
- Level of responsibility of PAOs
- Language and culture
Application Assessment

Status of Adoption & SMO Fulfillment

- **Adopted**
- **Partially Adopted**
- **Not Adopted**

**PAO Continuous Quality Management Cycle**

- **Not Active**
- **Consider**
- **Plan**
- **Execute**
- **Review & Improve**
- **Sustain**